G. R. S. 58]

Previous references.

Private

File No. 24-13

1916.

(Medical)

Serial Nos. 100, 139, 142, 143, 146, 149, 150-152, 156

Later references.

San. 144-15 Ser. 1-5
" 38-19 " 1-3)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 100, 139, 142, 143, 146, 149, 150-152, 156

Part B for April 1916.

SUBJECT.

Scheme for the Improvement of the Mahrad, (Takavi Loans).

To The Deputy Commrs and Chairmen
Mahrad Improvement Committees
Ruiga, Kadma & Hassan Dts

with reference to No. 7628-30. dated. 8th -16

States that the Scheme for granting loans to individuals to facilitate the building of Sanitary houses and the sinking of drinking water wells in the Mahrad, the system does not fall within the legitimate sphere of Government activity and asks that Govt will be prepared to consider a suitable ~~W D 1351—GPS—20,000—13-12-15~~ for the grant of such loans by local bodies provided it is financed by a loan to be raised locally etc. and requests to consult the principal local bodies in the District and submit a complete Scheme in this respect before the end of May 1916.

Sd. Vacca
20/7/16

9/6

7650

G.R.S. 11] 1913.

GENERAL AND REVENUE SECRETARIAT.

(Medical)

NOTES.

File No. 24-13

FILE HEADING.

Scheme for the improvement of the Malnad
(Takavi loans)

From

The Secretary, M.I. Committees, Shimoga

No. 35 Dated 27th June 14 Received 29/30-6-14

Diary No. 7650	Enclos. 1.	Spare Copies. nil	Serial No. 100.

BRIEF ABSTRACT OF LETTER.

Forwards a copy of the Resns of each of the 3 Committees recommending that the scope of the Takavi rules may be extended so as to admit of loans being given both to agriculturists and non-agriculturists for constructing houses & sinking wells in the Malnad.

NOTES AND ORDERS.

Copy put up vide also flag Z

The existing takavi rules are contained on pp 735 to 780 of the Mysore Rev. Manual

2) Orders are solicited as to whether this question may not be dealt with in the Rev. Branch

Subd for orders

CpL (120) 30-6-14

NOTES—First Sheet.

GPB—85,000—15-6-12

General and Revenue Secretariat.

Rev File No. 24 of 1913.

Serial No.

3) May be transferred to the Rev. Branch
Dy Secy)
Rev
1/7/14.

4) It is desirable to deal with such questions in the Branch having charge of the scheme. The Rev Branch may be consulted if necessary. The questions may be dealt with early

B
3/7/14

Rev
4/7/14

---

5) The existing Takavi Rules have been framed under the Land Improvement Loans Regn and Sec 194 of the Land Rev. Code. Both the Land Imp. Loans Regn and Sec 194 of the L. R. Code appear to provide for the grant of loans for agricultural purposes only. It may not be therefore possible to extend the scope of the Rules so as to apply to non-agriculturists, unless the Reg or the code is also suitably amended.

Submd for orders

Cyclt (120)
6.7.14.

6 To Bro for favour of opinion
Rev Branch
8/7/14

× page 781 of Rev. Manual.

NOTE—Contn. sheet.

Agri
8/7/14

GPB—60,000—7-11-13

R. S. 12]

General and Revenue Secretariat. | Med File No. 24 of 1913

Serial No.

R-mid 4-14

Lab

7 The main principle underlying the grant of Land Improvement & Takavi loans is that no loan shall be granted unless landed security of the value of not less than 1¼ times the amount of the loan applied is offered (Vide Rule XII of the General Rules)

8 In the case of agriculturists the grant of loans for building houses on site approved by the Malwad Improvement Committee may be held to fall under Rule I B (ii) a as the borrowers will be able to offer the lands belonging to them as security.

9 But in the case of non-agriculturists no such security can be expected and it is difficult to bring the loans to such persons under the General rules.

Pass
10/7/14
88
12/7/14

10 The existing rules have been framed under enabling sections of the L.R.C the Land Imp. Loans Regn which limit their scope to agriculturists. By-laws on

NOTE—Contn. sheet.

General and Revenue Secretariat. | Med File No. 24 of 1913.

R-Med 4-14

Serial No.

of application to include non agricul turists wd so beyond the statutory authority — see sec 15th L.R.C & secs 8 & 10 L.I Loans Regn.

11 It is possible that some at least of the loans to agriculturists under the Rural Imp. scheme might be brought under Rule I (B) (ii) (a) or (b) but in view of the essential diffce between the objects contemplated by the Takavi Rules & the Rural Imp. Scheme it wd appear best to frame a separate and comprehensive set of rules for the relief intended to be granted under the latter. The Takavi rules may perhaps be taken as a model

12 While on the subject I may add that at present, Revenue Officers are altogether helpless to afford any assistance to landlords & others by the sales in buying their houses &c sold.

13/4/14

D. Keatinge

To Mr. Ley as directed

Ley 5 P.M. 12 Revd 3/8/14

1-8

NOTE—Contn. sheet.

G P B—60,000—7-11-13

G.R.S. 13] Mark 24-13

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

13 The Dy Commissioner Shimoga in his programme of works to be undertaken by the Shimoga Committee during 1914-15, suggested the grant of loans to the extent of Rs 10,000/- to persons for building houses on sanitary lines and sinking wells. The Dy Commr is informed that it is too late to make provision now in the budget estimates for loans as recommended by him.

(Mr. Nanjundiah)

14 Our proposals are submitted as ordered by the Dy Secretary.

8.8.14

15 may be referred to Branches I and II for remarks

12/8 Forwarded to Branches I & II for favour of remarks

13/8

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6-14

G R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Subd

The following suggestions are subd

Para b - The house to be built may also be taken as security for the loan -

Para 9. The recovery of the loan may be made as an arrear of land revenue to give legality to the procedure.

The other provisions seem to be sufficient

Pay Please see pencil additions made.

20/8/14

20/8/14

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—21-6-13

7 (3

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

17

Sub?

The proposal relates to the grant of loans to agriculturists and non-agriculturists living in the Malnad to enable them to get houses built on sanitary principles.

Para 1. The grant of loans to agriculturists and their recovery is proposed to be regulated under Rule I B 2(a) of the Rules under the L. I. Regn IV of 1890 and Sec. 196 of the L. R. Code. As these people own substantial landed property yielding some income the repayment of the loan can be safeguarded by taking the properties as securities. Hence there may not be much objection to the grant of loans to them.

Para 2 — This proposes to grant loans for the same purpose to persons who do not own any lands. Unless these persons possess some substantial

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GPB—50,000—9-6-14

G.R.S. 13] Inst 24-13

Routine Notes.

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Inserted subject to approval

income from which they can regularly repay the loan and the repayment is also assured by collateral security, preferably of local men owning substantial landed property, the repayment of the Govt. loan cannot be depended upon. Nor can Govt. officers keep watch over their payment and recover dues promptly. (In their case it may be convenient to deal through Co-op^ve Societies or Village Improvement Committees)

Rule 1. The maximum amount of the loan that may be granted to agriculturists and non-agriculturists has not been fixed. It has to be fixed as in the case of Govt. officials.

Rules 2 & 3. It is proposed that the Revenue Officer Malvad Instl Committee and the Dy Comm^r and Chairman, M.I.C., should both be empowered to grant loans within the limits of Rs 500 and Rs 1000 respectively and that Govt sanction should be obtained only ~~in appealed~~ for loans exceeding limit to be fixed. At present

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—2-6-1

G.R.S. 13]

Vert 24-13

9

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

house building advances are granted only to Govt. officers and officials and these loans are regulated under Art 136 of the C.A.C. and Arts 391 to 401 of the Respore Treasury Manual. All housebuilding advances are sanctioned by Govt. and no other authority is empowered to sanction such advances. It is therefore a question whether the Rev. officer and the Dy Com may be empowered to grant loans.

Rule 4. The rate of interest is to be only 6% per annum. This is more for the Adm^ve Dept^ to decide.

Rule 5. The loan is repayable in 10 annual instalments. It is presumed that the instalments are to be equal. It is a question for consideration whether in the case of persons who do not own any lands the instalments should not be made monthly or at most quarterly. Even in the case of Govt officers and officials whose

and the period of loan also lowered.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—2

G.R.S. 13] Mes 24-13

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

loans are recoverable by monthly deductions from their pay, it has sometimes been found difficult to recover Govt dues. In many cases owing to the death ~~of~~ retirement desimissal &c., of the official Govt. had to write off the outstanding arrears as irrecoverable. Such cases may it is submitted be more common among persons not owning any ~~lands~~ unless proper safe-guards are taken.

Rule 6. (Proposed pencil alteration)
Even in the case of Govt. officials collateral security ~~to be~~ ~~taken~~ is insisted on when the loan exceeds 6 months pay of the official. In the case of persons not owning any lands collateral security is absolutely necessary and no loan should be granted without it.

Rule 7. The loan may be paid in more than 2 instalments unless

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GPB—50,000 –29-6.14

G.R.S. 13] Ref 24 13

Routine-Notes.

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it is considered that it involves too much work on the Amildar or Dy Amildar or hampers the borrowers.

Rule 8 – The house built should be valued ~~by court~~ after its completion by some authority and it should be satisfied that the full amount of the loan has been spent on it Mere information furnished by the borrower should not be depended upon.

Rule 9. No remarks

Rule 10. The checks for watching the recovery are few. It is necessary that a quarterly statement should be submitted to and reviewed by Govt to enable the audit office to keep watch over these loans

Rule 11. The security bond form has not been given.

BBL

1/10/14

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6-14

G.R.S. 13] Mar 24-13 12

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

18 The proposed scheme to grant loans for agricultural & non agricultural for building houses is financially objectionable for the following reasons.

(1) The grant of such loans is not one of the functions of post and nothing more than what is contemplated in the L.D. & Taxation rules need be done by post - Housebuilding should be financed by private bodies or co-operative societies if necessary.

(2) ~~Here~~ If from a business point of view the advance is safe, ~~private people~~ it is not too much to expect Capitalists ~~privately~~ to find a way to finance their undertakings If from a business point of view the scheme is not sound there is no reason why post should undertake it unless ~~for~~ it wants to give away ~~its~~ Taxpayers money as Charity

(3) In the proposed rules interest is at 4% repayment over a period

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6.14

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

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of ten years and security

in the case of non agriculturists little or none.
Here are serious drawbacks & the chance of the loan being recovered in whole under the circumstances are very remote.

(4) The capacity of a person to build a house depends on his own resources - even though Govt may advance money in the first instance and if such resources are inadequate Govt advance won't help them & will land Govt in difficulties.

(5) The Experience of recoveries of land improvement loans shows clearly us from Embarking on a System of loans on easy Security & Extending them ten years. Out of the demand for the year only 5·2% and 40% were recovered during 12-13 & 13-14 as shown below

		demand	recovery	%
Land Impvt Loans	12-13	49,31 3	25,814	52
	13 14	43,955	17,570	40

Similarly the Experience of Govt in the matter of Wells loans cannot be regarded as fortunate and if Govt ~~want to do~~ do not

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6-14

D No 2650

~~G.R.S. 13~~]

Routine Notes. H Dis 5531 14

[~~To be used only for notes, requisitions, etc., not intended for permanent record.~~]

R Dis 4-14

want to see its money wasted and are to benefit by past experience ~~System of~~ They must make a stand against such non-governmental activities and System of wholesale loans. ~~which are the~~

(6) ~~Such Systems~~ lend ~~way of~~ latter ~~to~~ aways from the people. the power of ~~to~~ self reliance and initiative and make them entirely dependent on Govt — Which is good neither for the Govt nor the people.

(7) In the present state of finances when the position of our cash resources is ~~not~~ requires careful attention Govt cannot afford to indulge in ~~any~~ such Schemes of Optional Expenditure

17.10.14

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6-15

17.10.14

Inst 24-13

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

19

Upon a careful consideration of the Regulations referred to in the Sakar Rule it appears to me that the Rules now proposed cannot be framed either under S 194 of the Land Revenue Code or under the provisions of the Land Improvement Loans Regulation. The object for which loans under these Regulations can be granted are restricted. Under the Land Improvement Loans Regulation loans can be given only for agricultural improvements, and the word improvement has been defined to mean any work which adds to the letting value of the land" The object of the present rule, cannot be held to come within the purview of the object of the L. I. Loans Reg

So also the loan granted under S 194 of the L.R. code should be only to the cultivable land and for purposes connected with agricultural objects

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6-14

Mar 24-13

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Loans for the purpose of sinking drinking water wells in the villages for the purpose of building model Sanitary houses can not be legitimately held to be an agricultural object. The interpretation which will include the cases referred to in the proposed rules will be considered by the Board.

It seems to me that rules can be framed independently of these Regulations to cover loans to both agricultural and non agricultural ryots in the Malnad tracts and the amounts due from them could be recovered by making a special stipulation that such sums may be recovered as an arrear of land revenue. See last part of S 73 of the Land Revenue Code gives the necessary statutory power for recovering dues in such cases of contract or Security bond

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

G.P.B.—50,000—29-6-14

760

~~G.R.S. 13~~] Mem 24-18

Routine Notes.

[~~To be used only for notes, requisitions, etc., not intended for permanent record.~~]

5 If this view be accepted the rules will be recast and a general consolidated set will be prepared so as to be applicable both to agriculturists & non agriculturists

Yes
Done
8/1

In the case of agriculturists the security given by land shall with such other collateral or personal security that may be deemed necessary, may be taken. In the case of those who have no immoveable property, such as land the question may be best met with difficulties as far as possible on the sufficient collateral security of immoveable property and the security of solvent persons should loans be granted The loans should be adjusted as to the borrowers normal paying capacity. otherwise no loans should be granted

9 Draft rules submit for approval

EB 2b/1/15

20/ The M. I. Committee may also be consulted in regard to the draft rules — draft Done 9/1

EB 8/1/1915

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—59,000—29-6-14

18

~~G.R.S.~~ 13] 1 cl 24-13 765

Routine Notes.

[~~To be used only for notes, requisitions, etc., not intended for permanent record.~~]

Draft submitted

8-1-15

Issue

9.1.15

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—10,952—10-6-14

6775

19

General and Revenue Secretariat. | File No. | of 1913-14

Serial No.	
139	To the Deputy Commissioner & Chairman Mu. D. Committee 21 No 5712-4 dated 25.1.15 Forwards a copy of draft rules for the grant of loans to facilitate building of houses, sinking of drinking water wells to persons residing in the Mahanas and requests that the same may be placed before the Mahana Improvement Committee and their opinion Communicated for the orders of Govt.
142	22 From the Secretary, Mu. D. Committee, Shimoga No 218 & 3/15 Informs the modifications suggested by the Mahana Improvement Committee Shimoga District at its meeting held on the 29. January 1915
143	23 From the Deputy Commissioner Hassan District. 401 & 20 3/15 Forwards for information a copy of the resolution of the Hassan District Committee on the subject
146	From the Secretary, Mu. D. Committee, Kadur 24 No 1034 & 22.4.15 Submits the opinion of the Committee in regard to draft rules for granting loans to people who build houses on sanitary principles in the Mahanas 25 Submitted with a statement showing in juxtaposition the rules framed by this office and the alterations suggested by the Mahana Improvement Committees. It is suggested by

Pages 39 to 41 of the Note

NOTE—Contn. sheet.

G P B - 60,000—7-11-13

G. R. S. 12]

General and Revenue Secretariat. | Head File No. 24 of 1913/14

Serial No.

by the Kanara District Committee that the Sanitary Engineer may be requested to furnish the Committee with the plans of model houses in 3 different sizes at a cost of Rs 300/- 500/- & Rs 800/- respectively. It is further proposed that the model houses should be constructed by the Industrial Improvement Committee and sold to the people at cost when the cost creation of Engineer

Submitted for orders.

10.5.15

28 only very few amendments suggested in regard to the rules framed in the Secretariat

11/5

The suggestion of the Shimoga committee with regard to Rule 2 may be accepted. Clause 2 of Rule 3 may be omitted as the presumption that loans above Rs 1000 will not be granted under any circumstances. The suggestion of the Hassan Khadi committee does not appear to be an amendment, but as an additional rule. The wording may be changed as follows.

27 3A. Applications for loans under these Rules shall be presented to the Special Revenue who shall forward copies of every such application for enquiry and report under Rule 4.

28 The suggestion of the Shimoga Committee with regard to the last clause of Rule 3 may be accepted

29 The other suggestions are merely verbal

NOTE—Contn. sheet.

GPB—25,000—22-3-15

6775

21

G. R. S. 12]

General and Revenue Secretariat. | Part File No. 24 of 1913-14

Serial No.

and do not appear necessary.

30 If approved a typed copy as revised will be put up.

[illegible]
17/5/15

Secy)

[illegible]

12/5/15

[illegible]
18/5

31 Please put up a typed copy as suggested by me.

[illegible]
18/5

Submitted
[illegible]
17.5.15

For approval & thereafter

[illegible]
19/5

[illegible]
18/5

Dy Secy)

32 Please let the draft notified as further amended

Secy to Govt.
19/5

[illegible]
20/5/15

Submitted
[illegible]
21/5

[illegible]
27.5.15

[illegible]
27.5

Dy Secy)

NOTE—Contn. sheet.

GPB—25.000—2-12-14

6775 22

2096

R. S. 12]

General and Revenue Secretariat. | Mrs File No. 24 of 1913-14

Serial No.

33 Draft as revised may be sent to

27/5/15

Secy

Extraordy Member & Dewan

Devicangachao 29/5

4/6

34 As this is an important matter, the file may be forwarded to the Financial Secretary for favour of recording his opinion on the draft rules framed.

2. 1.6. 4/6

Finis 2096 7/6-15.

35 2. Fwd Secy

4/6/15 4/6

Secd

7/6. Please see financial opinion offered at paras 12 to 14 above.

5/6/15

Mr. 13

In the draft rules it is not definitely stated that the amount of over due loans will be liable

NOTE—Contn. sheet.

GPB—25,000—22-3-15

G. R. S. 12]

General and Revenue Secretariat. | File No. of 191 .

Serial No.

to be recovered as arrears of land Revenue who is to ~~[illegible]~~ be ~~repay~~ responsible for the recovery & repayment — the Mahal and Improvement officer or the Rev authorities — is not stated As regards repayment 'ten annual instalments' leaves the date of repayment vague — It would perhaps be better to definitely lay down the date of repayment.

The Govt. [illegible]

1914 Passed) he 5/6/15

37. In my opinion there are the following objections to the scheme.

(a) A general scheme for advancing money to the population of a tract for building houses & sinking drinking water wells does not come within the province of Govt. If this is conceded there is no reason why advances should not also be made for getting wholesome food, providing proper clothing for medical treatment in case of illness, for providing Education for children &c.

(b) Tempting people with too cheap money and encumbering their lands &c is not sound policy. The better course is to impress

NOTE—Contn. sheet.

GPB—25,000—23-15

2096 6775 24

G. R. S. 12]

General and Revenue Secretariat. | Med File No. 24 of 1913.

Serial No.

on them by the spread of education & Exercise the necessity of good houses & wells and leave the financing to private enterprise according to the law of supply demand - Any financial assistance that may be given should be in the form of concession to cooperative bodies or mortgage banks, formed for securing the objects in view & not in the form of loans to individuals

There is no private enterprise & capital for financing & agriculture and activities

(c) A ma-bap govt can never be a strict creditor and financial transactions not carried on on strict business lines are demoralising In spite of all precautions that may be taken the scheme is sure to result in loss to govt in many cases.

For the foregoing reasons I am strongly opposed to the Rules in question being adopted

Bor IV)

14/6

14

38 Submitted with reference to para 34

14/6

16/6

Dr Secy

39 The financial Secretary's objections apply equally to all other schemes

NOTE—Contn. sheet.

GPB—25,000—2-11-13

Serial No.

of loans which have been recently sanctioned such as loans for industrial improvements dairy-farming the conditions in the Mahrad are unique. On the one side there are the large landholders/moneylenders whose interest it is to keep the bulk of the people under their thraldom & the small proprietors who have little credit. Even in cities like Bangalore it is not possible to work cooperative building societies satisfactorily and in the Mysore City the Municipal Council has recently reported that it is not possible to arrange for the construction of houses by means of such societies. In my humble opinion the rule may be sanctioned. The amounts given will not be large but the scheme if sanctioned will greatly help the local officers in their efforts to induce the people to shift their houses to healthier sites

16/6/15

I agree with the Dy Secy.

Secy. 7-6 Dmcy & Com
Mem 23/
23/7

Board Secretary Dewan

NOTE—Contn. sheet.

GPD—25,000—2-11-14

G. R. S. 12]

General and Revenue Secretariat. | Old File No. 24 of 1913-14

Serial No.

There is no doubt much risk in advancing Govt. money to private individuals & Municipalities & all the precautions proposed to be taken under the Rules. But before embarking upon any large scheme of advances, it would perhaps be necessary to fix a definite grant for each of the three Divns. to begin with. This would afford us an opportunity to see how the scheme would work. Of course such a scheme is doubtless objectionable on principle but under the peculiar circumstances of the tracts we propose dealing with there seems to be no other alternative to the withdrawal of private capital & with the taking in hand of Municipal & Improvement & Improvement & help poor middle class houses it is more so in case of the working tracts like the Mahul There seems to be nothing on record to show what the probable requirements of each Divn are in the respect this will have to be ascertained It must be remembered that we have already refused such concessions in the case of some Govt. Officers like Municipal Secretaries & Executive

NOTE—Contn. sheet.

GPB—25,000—3-11-21

Draft sent 26/7 26/7 sent 26/7

G. R. S. 12]

General and Revenue Secretariat. | File No. 24 of 1913-14

Serial No.

41 Draft submitted
Issue
27.7.15 Mon
28

149 To the Dy. Comrs & Chairmen, R. D. Committees of Kadur, Shimoga and Hassan
No. 1012-4 dt 4-8-15:
In contn of No. 5712-4/Med. 24-13 dt 28-7-15- requests to state what amount will probably be required to begin with to grant loans to people to build houses on sanitary principles in Malnad.

150 From the Dy. Comr & Chairman, R. D. Committee Kadur District, No. 109 dated 18-8-15.
With reference to Sl. 149, states that a sum of Rs. 10,000/- is required for the present

157 From the Dy. Comr Hassan District
No. 76/R.D.S. dated 18/20-8-15. With refce. to Serial 149, states that a sum of Rs. 10,000/- may be required for the present

152 From the Secy. R. D. Committee, Shimoga.
No. 11 dated 1-9-15. With refce. to Sl. 149, states that a sum of Rs. 30,000/- may be required for the present.

45 The probable amount required for grant of loans to people who build houses on sanitary principles in the Malnad is as noted below

NOTE—Contn. sheet.

GPB—25,000—30-4-15

G. R. S. 12]

General and Revenue Secretariat.

File No. 24 of 1913-14

Serial No.

Shimoga district Rs 30,000/-
Kadur Rs 10,000/-
Hassan Rs 10,000/-

Total Rs 50,000/-

Submitted with reference to paragraph 40 of the note.

46 Submitted with reference to the 2d member's observation at para 40 of the notes. 8.9.15

47 The sanctioning of the rules draft where of is placed in the file is the point for consideration

48 This will have probably to be settled at a meeting of the Council after the file is submitted to the Extra-ordinary Member Dewan

Secy

Extraordinary member + Dewan

9/9

Dewan 12/9

12/9

The draft rules as well as the general question of granting loans may be discussed at a meeting of the Council

Dewan 9.15

21.9.15

1660
23.8.15

NOTE—Contn. sheet.

25/11

21/11/15

1.11.15

2/11-15

GDP—25,000—2-11-14

(6)

Subject.-(Clause viii of the Schedule)

Draft rules for the grant of loans to facilitate building of houses etc., in the malnad.

OPINION OF THE COUNCIL.

(1) Before their Govt approve of the rules the Financial Secy may be consulted as to whether Rs 50,000 will be available

(2) He may also be consulted in regard to the question of raising loans in the malnad itself for the purpose, Govt-guarantees interest

1/12

The Fin. Secy was informed by the Diwan about the financial features of local loans for local purposes.

Forwarded with compliments for favour of opinion in regard to both the points noted above.

Dewan of Mysore
2/12

2 If it is a question of funding Rs 50,000 only there is no difficulty but Rs 50,000 will be sufficient only for 50 to 100 loans & what is this number for the whole of the

G. R. S. 12]

General and Revenue Secretariat. | Their File No: 24 of 1913-14

Serial No.

Malvad area? If the scheme is to be financed in earnest many lakhs will be required. And for this we have no money at present.

(2) As regards the scheme itself it is in my opinion economically of doubtful utility, financially not very safe and from the administrative point of view very difficult to work. The fount of cheap loans is not an economic panacea but an operation the usefulness of which is restricted to a very narrow range of cases. If a man has not risen by virtue of his earning power, to the economic level of living in a thousand rupee house it is but cruel mercy to induce him to mortgage his lands & construct a thousand rupee house for living in. Such a course can only lead to his ruin. On the other hand if he has risen to the level he can in most cases build such a house himself without enhanced help. The loan is useful only in a very limited number of cases near the border line.

(3) I need not refer in detail to the administrative difficulties of the scheme. Cultivators who depend on

NOTE—Contn. sheet.

GPB—25,000—30-4-15.

G. R. S. 12]

General and Revenue Secretariat. | Imp. File No. 24 of 1913, 4

Serial No.

seasonal conditions for their living cannot be expected to be so nearly so punctual in the payt of periodical instalments as city people and even in the case of the latter the Mysore Improvements Trust operations show that recovery is very unsatisfactory. If Govt sanction the scheme they must be prepared for eventual loss of a considerable portion of the sum advanced.

(4) For the foregoing reasons, I do not think that Govt should attempt to finance such a scheme either from the general revenues or from locally raised loans. Every encouragement should however afforded to the development of Cooperative Building Societies which alone would seem to offer a safe and satisfactory solution to an admittedly difficult ~~problem~~ problem.

M

Yr

To be circulated
& brought up
before Council
again

9/12

9.12.15

10/12/15

10/12/15

13/12

NOTE—Contn. sheet.

15/12/15

GPB—25,000—2-11-14

For disposal at a Meeting.

82

No. C. 2 34

5. 11 .....1915.

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.
(Clause viii of the Schedule).

Draft rules for the grant of loans to facilitate building of houses etc., in the malnad.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

D. M. Narasimha Rao

4th November .....191 5. *Secretary to Government.*

Extraordinary Member of Council. Seen by the Extraordinary Member of Council.

26/11

First Member of Council. Seen by First member

13/11

Second Member of Council. Seen by the Second member

6/12

GPB—1,000—3-2-14

(5)

Subject.-(Clause viii of the Schedule)

S 3 Draft rules for the grant of loans to facilitate building of houses etc., in the malnad.

OPINION OF THE COUNCIL.

The scheme as it stands seems defective, A pukka scheme on the basis of a local malnad loan may be considered the details being worked out.

~~The Secretary~~

PST
22/12/15

Add to the next meeting
PST
15/12/15

Reference

The above is an ~~pre~~ matter for ~~a~~ ~~Council~~ ~~proceedings~~ ~~PST~~ a ~~Council~~ ~~proceedings~~ ~~PST~~ Govt 54 to Council proceedings

Article B. VIII (2nd Schedule) will ~~have~~ to be taken as above.

PST
28/12/15

PAJ 28/12

Ker 23/12

General and Revenue Secretariat.

Inor File No. 24 of 1913./4

Serial No.

55) Submitted in draft.

MMS 28/12 Say
25.12.15

Hon 29.12

56) Re draft to be issued & sent to the Extraordinary Member

HMT 29/12/15

Hon 29.12

HMT 29/12/15

Extraordinary Member

57 The draft letter put up is not sufficiently clear or full. The Financial Secretary has stated the grounds on which the scheme is considered defective and objectionable. These may be embodied in the draft and some suggestions given as to the lines on which the new scheme is to be prepared.

Exam 5.1.16

58)

NOTE—Contn. sheet.

GPB—20,000—30-6-15

1472/R-W

35

G. R. S. 12]

General and Revenue Secretariat.

Med File No. 24 of 1913

Serial No.

58 A revised draft is submitted.

Only such of the grounds advanced by the Financial Secretary, as apply to loans from the State funds direct, as against loans by local bodies, have been embodied in the draft. ~~for~~ and the objections applying ~~obtained~~ to loans from State funds or by local bodies have been omitted for obvious reasons.

Hon 22/1

59) Please put up a tidy draft as revised and send it to the Fin Secy for favour of remarks.

Draft Hon 7/2 8/2

60) Tidy draft is placed on the file.

Mud Secy)

Sub. Hon Secy)

17.2.16.

16 28/2/16

61) For the reasons stated in my note of 4.12.1915 I am not in favour of giving house building advances in the mahal out of loans raised by local bodies from State funds. The financial aspect of such a scheme may be sound under proper safeguards for capital which is now scattered & not available for house-building may become available for the purpose But

NOTE—Contn. sheet.

GPB—20,000—30-6-15

General and Revenue Secretariat. | Med File No. 24 of 1913.

Serial No.

the economic aspect does not seem to be satisfactory. It has not been proved that economic conditions exist which would justify such a loan scheme viz. that a class of people exist who have attained the economic level of living in comfortable houses but who, though possessing ample assets & income cannot construct them only for want of ready cash — i.e. people who will be able to repay an advance with moderate interest without embarrassment but who cannot raise the money in the market. As far as I know the real difficulty as regards bad housing in the mahal ~~is that the people~~ is a two fold viz. want of technical advice on the part of the better classes and in the case of the poorer classes the fact of their not having attained a sufficiently high level of income. In neither case is a loan scheme the proper solution.

Br IV)

28/2

62)

Submd for orders on the draft.

4.3.16. Secy

Ard
6/3

I have made a few alterations in the draft so as not

NOTE—Contn. sheet.

GPB—70,000—17-12-15

1793

37

G. R. S. 12]

General and Revenue Secretariat.	Inner File No. 24 of 1913-14

Serial No.

to Govt. to any scheme. If the Fin Secy answers it unobjectionable to make the enquiry suggested in the draft, further action will be taken.

H.W.O. No. 1793 dt 15/3 (Fin Secy)

Dewan 14/3

Sub 14/3

Sub 14/3 (Extn) 15/3

14/3

6) No objn to the enquiry in its present non-committing form.

Br IV) 21/3

65) Submd with reference para 57. Dy Secretary 21/3

Br 22/3 (Extraordinary member).

66) Draft approved by the Extraordinary member.

23.3.16.

(Dewan) 67) Before issue. Dewan 24/3

5058 24.3.16

68) Draft approved by Dewan. Dewan 1/4

Sub 1.4.16

69) Issued 1/4

The date for submission of a completed scheme was fixed as 30.4.16 when proposing the draft early in Feb. An extension of 2 months necessary.

NOTE—Contn. sheet.

GPH—70 000—17.12.15

G. R. S. 12]

General and Revenue Secretariat. | Medl File No. 24 of 1913.

Serial No. 156

To The Deputy Commissioners and Chairmen Malnad Improvement Committees, Shimoga, Kadur and Hassan Districts.

Letter No. 7528-30 dated 8-4-16.

In regard to the scheme for granting loans to individuals to facilitate the building of sanitary houses and the sinking of drinking water wells in the Malnad, states that the system does not fall within the legitimate sphere of governmental activity for reasons stated, adding that Govt. will be prepared to consider a bribable scheme for the grant of such loans by local bodies provided it is financed by a loan to be raised locally, &c. Request to consult the principal local bodies in the District and submit a comprehensive scheme in this respect before the end of May 16.

NOTE.—1 Contn. sheet.

GPB—70,000—17.12.15

~~Draft~~ Rules for the grant of loans to facilitate building in the Andamans.

Rules framed by this office	Observations of the L.I. Committee, Shimoga
Rule 1 Loans of money may be granted under these rules to persons residing in the Andamans for the purpose of constructing houses on sanitary principles and sinking drinking water wells.	
Rule 2 The maximum amount of loan that may be granted under these rules is Rs 500/- when a person undertakes to build a house only and Rs 1000/- when he undertakes to sink a well for drinking water in addition.	The maximum amount that may be granted under these rules is Rs 500/- when a person undertakes to build a house only and sink a well only for the purpose of drinking water and Rs 1000/- when he undertakes to build a house and sink a well for drinking water in addition.
Rule 3/ The Revenue Officer, L.I. Committee is empowered to sanction loans upto Rs 500/- and the Chairman of the District Committees are empowered to sanction loans from Rs 500 to Rs 1000/- Applications for loans above Rs 1000/- should be submitted for the orders of Govt. who will grant them in very special cases.	To be omitted
Rule 4/ No loans shall be granted without a special enquiry as to the normal earning capacity of the borrower, the sufficiency of the security and the amount that could be advanced and the bona fides of the application by the Builder or Builders of the Locality and the Revenue Officer. In case of difference of opinion, the opinion of the Chairman of the District Committee shall be final.	
5/ The rate of interest shall be 6% per annum. Interest shall accrue from the date of disbursement of loan. If the loan is disbursed in instalments interest on each instalment shall accrue from the date of the disbursement of such instalment	

of the houses, supplying of drinking water. wells in persons residing

with Opinion of the L.G. Com. in Labourers Houses (Allocation Number)	Opinion of the L.G. Committee, Kenn (Allocation Number)

notice Commencement of the person applying for the letting house which is to be a well position:

Position proposed by the Hanson & Kenn District committee

Application for houses to be given to the Special Rev. Officer, who after registering it will transmit it to the Auditor for the proceedings in the matter of obtaining security:

(Continued)

proposed by this office	Alterations pro
Rule 6 Loans shall be repayable in fixed annual instalments, discharging both principal and interest. Provided that nothing in this rule shall be taken to preclude a borrower from discharging a loan or from having larger amount than the annual amount	
Rule 7. On every instalment which is not paid, interest at 6% shall be charged from the date on which payment ought to have been made.	
Rule 8. Repayment shall be made at the Treasury of the District in which building is Constructed	
Rule 9) No loan shall be granted unless the security of immovable property offered exceeds by at least 1/4th the amount of the loan applied for. The lands or houses belonging to the applicant or lands or houses held by persons who are offered as securities shall be the only securities that must be taken into consideration. Loans shall not be advanced under any circumstances on mere personal security. In every case, the site on which the house is built or well is sunk and the building itself proposed shall be mortgaged to the Govt. as additional security.	(no "In every ca house is bu the building a the case of a well and the the well is su Govt. as ad
Rule 10) As soon as the order sanctioning the loan is issued, the District shall take an agreement from the applicant that the latter agrees to build the house in accordance with the plans approved by the Local Improvement Committee within such period as may be fixed by the Committee and on the site selected by them	

...ed by the Standing Committee	Applications processed by the Housing Committee	Applications processed by the Kisoro District Committee

...ange)

The site on which the ... of the well is sunk + a well performance test in ... for sinking a well and ... being for the benefit of which, it shall be mortgaged to the ... land security

Application processed by the Kisoro District Committee

(The Special Revenue officer is empowered to issue licenses after obtaining the approval of the plans by the Special or District Sanitary officer)

Approval of the plans to be by the Special Sanitary officer after obtaining whose opinion, the Special Rev. officer to be empowered to issue licenses.

(Continued)

Provisions by this office	Alterations pro
Rule 6 Loans shall be repayable in fifteen annual instalments, discharging both principal and interest. Provided that nothing in this rule shall be taken to preclude a borrower from discharging a loan or from having power to borrow an amount than the annual amount	
Rule 7. On every instalment which is not paid, interest at 6% shall be charged from the date on which payment ought to have been made.	
Rule 8. Repayment shall be made at the Treasury of the District in which building is Constructed	
Rule 9) No loan shall be granted unless the security of immovable property offered exceeds by at least 1/4 the amount of the loan applied for. The lands or houses belonging to the applicant or lands or houses held by persons who are offered as securities shall be the only securities that must be taken into consideration. Loans shall not be advanced under any circumstances on mere personal security. In every case, the site on which the house is built or well is sunk and the building thereon shall be mortgaged to the Govt. as additional security.	(a "In every ca house is bu the building o the cumq at well and the The well is si Govt. as ad
Rule 10) As soon as the order sanctioning the loan is passed, the Collector shall take an agreement from the applicant that the latter agrees to build the house in accordance with the plans approved by the Local Improvement Committee within such period as may be fixed by the Committee and on the site selected by them	

	Rules framed by this office	Alterations proposed by the Comm
	The loans shall be advanced ordinarily in two instalments. The 2nd instalment will be paid only after the Assistant or Dy Assistant is satisfied that the 1st instalment has been fully spent for the construction of the house or sinking of a well.	
12	A special register will be opened for noting repayments of the loans in question. The Collector will issue necessary instructions in the matter of keeping accounts for the purpose.	
13	If any loan is misapplied or if default is made in the repayment of the loan with interest as aforesaid, the whole loan shall be recovered at once with interest at 6 p.c. as an arrear of Land revenue	
14	The Security bonds shall be in the attached form	

Annex

Shillings	Allocations proposed by the House Committee	Allocations proposed by the Revenue Committee	Remarks
	payment of 2 nd instalment to be made after the Builder or by Builder or the Special Revenue officer is satisfied that the 1st instalment has been spent.	The 2 nd instalment of the loan may be paid to the applicant after the Builder or by Builder or the Special Rev. officer is satisfied that the 1st instalment has been fully spent for the purpose for which the loan was taken.	

35
47

No, 35
Enc. 1

Office of the Secretary, Shimoga, Kadur and Hassan Districts, Malnad Improvement.

Dated Shimoga, 27th June 1914.

14/29/6
Secy

D7650

From,

Ananda Rao.S.Sirsi, Esquire, B.A.LL.B.,
Secretary, Shimoga, Kadur and Hassan Districts,
Malnad Improvement, Shimoga.

To,

D.M.Narasinga Rao, Esquire, B.A.B.L.,
Officiating Secretary to the Government of Mysore.
General and Revenue Departments, Bangalore.

Sir,

I have the honor to state that the question of granting loans to persons, whether agriculturists or not, for constructing new houses on approved sites and sinking wells for drinking purposes in the malnad tract, ~~are~~ was discussed at length by the Committee at its first meeting held on the 31st March 1914. (vide copy of the resolution enclosed).

Vide pp 735-780 of Rev. Manual
Vide Copy put up flag Z

As the takavi rules framed under the Land Improvement loans Regulation and section 194 of the Mysore Land Revenue Code, provide loans being granted only to agriculturists for the improvements of their lands and similar agricultural purposes, the Committee is of opinion that the scope of the Takavi rules should be extended so as to admit of loans being granted to both agriculturists and non-agriculturists for constructing houses and sinking wells, as proposed by them (Committee).

I may here state that similar resolutions have been passed by the other two Malnad Improvement Committees for the Kadur and Hassan Districts (copy of resolutions enclosed).

I request the favor of your obtaining the orders of Government

1914

From,

The Secretary, Shimoga
Kadur and Hassan Districts
Malnad Improvement
Shimoga

To, The Secretary to the
Government of Mysore,
General and Revenue Depart-
-ments, Bangalore.

No: 35
D/27.6.14.
Desfs — do. One one.

Subject.

Requests to obtain Government
Orders for granting loans to
persons whether agriculturists
or not for constructing new
houses on approved sites and
sinking wells for drinking
purposes in the malnad tract

Government in the matter.

I have the honor to be,

Sir,

Your most obedient servant,

Secretary, Shimoga, Kadur and Hassan,

District Committees, Malnad Improve
-ment.

N.G.S.

Enc. to Med. 100 24-13

Proceedings of the first Meeting of the Shimoga District Committee held on 31st March 1914.

Resolution No 10.

Resolved that Government be moved to extend the scope of Takavi rules so as to provide for the grant of loans to the extent of Rs 500 for building new houses on approved sites in the Malnad and to the extent of Rs 1000 for the same pur--pose when wells are also sunk by the house builders, loans not exceeding Rs 200 being granted free of interest, the - interest chargeable on larger loans being calculated at 4% and the loans being repayable in 10 years.

x x x x x

Proceedings of the first meeting of the Kadur District Com--mittee held on 7th April 1914.

Resolution No 10.

Resolved that Government be moved to modify the present Takavi rules so as to allow the grant of loans to the extent of Rs 500 to persons when they build houses on standard plans on approved sites in the malnad and to the extent of Rs 1000 when they also sink wells by the side of the new houses and that loans not exceeding Rs 200 be granted free of interest, any larger amount being charged 4% , the loan being made repayable in ten equal annual instalments.

x x x x x

Proceedings of the 2nd meeting of the Hassan District Com--mittee held on 10th May 1914.

Resolution No 6.

Resolved that Government be moved to so modify the exist--ing Thakavi rules published under Government Notification No R 4319/Agri91-8-4 dated 2nd January 1909, so as to include under rule I (B) (ii)-(a) sites selected for shifting existing houses on sanitary grounds in such places to which the malnad

Vide pp 735-780. Rev. Manual. Vide also flag Z

95

malnad improvement scheme applies, subject to the limit of Rs. 1000 recoverable in 3 years.

x x x x x x

"Copies"

Shimoga,
27-6-1914.

Secretary, Shimoga, Kadur, and Hassan District Committees, Malnad Improvement.

N.G.S.

46

+ S 16-14

G. R. S. 26]

File No. Sanit 24-13

Serial No. 139

Diary No. of letter replied to 7650

Cuf

No. 57/204

Sanit By 25/1/15

By Secretary & Chairman

General and Revenue Secretariat

(Sanitary)

, *the* 191

To

(1) The Secretary, Improvement Trust Committee, Shimoga.

(2) — do — Municipal Commissioner.

Date of issue 25.1.15

Sir

Signed by M. Srinivasa Iyengar

With reference to ~~your~~ the letter No. 35 dated the 27th June 1914 from the Secretary, Improvement Trust, Shimoga, forwarding a copy of the resolutions of the Committee and recommending that the scope of the Takavi rules may be extended so as to admit of loans being given for encouraging people to build houses on sanitary principles in the Malnad, I am directed to forward herewith a

over. copy

SUBJECT.

M. Srinivasa Iyengar

49

Copy of draft proposals on the subject and I request that the same may be placed before the Industrial Improvement Committee and their opinion ~~thereon~~ communicated for the orders of Govt.

I have &c

E.B. 7.1.18

for C/J&S Secretary

P.S.O.

List of enclosures

Copied by

Examined by

GPB—25,000—4-3-13

Enc. to Memo. 24-13-139

Rules for the grant of loans to facilitate building of houses, sinking of drinking water wells to persons residing in the Malnad.

---

1. Loans of money may be granted under these rules to persons residing in the Malnad for the purpose of constructing houses on sanitary principles and sinking drinking water wells.

2. The maximum amount of loan that may be granted under these rules is (a) Rs.500/- for building a house only or for sinking a well only for the better enjoyment of an existing house and (b) Rs.1,000/- for both purposes together.

3. The Revenue Officer, Malnad Improvement Committee is empowered to sanction loans up to Rs.500/- and the Chairmen of the District Committees are empowered to sanction loans from Rs.500/- to Rs.1,000/-.

3. Application for loans under these rules shall be presented to the Special Revenue Officer, who shall forward a copy of every such application for enquiry and report under rule 4.

4. No loan shall be granted without a special local enquiry as to the normal paying capacity of the borrower, the sufficiency of the security and the amount that could be advanced and the bonafides of the applicant, by the Amildar or Deputy Amildar of the Taluk and the Special Revenue Officer. In case of difference of opinion, the opinion of the Chairmen of the District Committee shall be final.

5. The rate of interest shall be 4 per cent. per annum. Interest shall accrue from the date of disbursement of loan. If the loan is disbursed in instalments, interest on each instalment shall run from the date of the disbursement of such instalment.

45/46

6. Loans shall be repayable in ten fixed annual instalments, discharging both principal and interest.

Provided that nothing in this rule shall be taken to preclude a borrower from ~~discharging a loan or from~~ paying a larger amount than the ~~annual amount~~ instalment.

7. On every instalment which is not paid, interest at 6 per cent. shall be charged from the date on which payment ought to have been made.

8. Repayment shall be made at the Treasury of the Taluk in which building is constructed.

9. No loan shall be granted unless ~~the~~ immoveable property is offered as security. The value of such security shall exceed by at least $\frac{1}{4}$th the amount of the loan applied for. The security ~~should~~ shall consist either of lands or houses belonging to the applicant or lands or houses held by persons who are offered as securities. ~~Personal security shall not be accepted.~~ In every case the site on which the house is built or the well is sunk and the building and well proposed and in the case of a loan for sinking a well the well and the building for the benefit of which, the well is sunk, shall be mortgaged to Government as additional security.

10. As soon as the loan is sanctioned, the Amildar shall take an agreement from the applicant binding himself to build the house in accordance with the plan approved by the Malnad Improvement Committee within such period as may be fixed by the Committee and on the site selected by them.

11. The loan shall be advanced ordinarily in two instalments. The 2nd instalment will be paid only after the Amildar or Deputy Amildar and the Special Revenue Officer are satisfied that the 1st instalment has been fully spent for the construction of the house or sinking of a well.

12. A special register will be opened for noting repayments of the loan in question. The Comptroller will issue necessary instructions in the matter of keeping accounts for the purpose.

13. If any loan is misapplied or if default is made in the repayment of the loan with interest as agreed upon, the whole loan shall be liable to be recovered at once with interest at 6 per cent, as an arrear of land revenue.

14. The security bond shall be in the appended form.

A.S.

14. If the Director shall grant to the hirer any time or indulgence, the same shall not affect or prejudice the Director's rights under this agreement.

.....

Director's signature.

.....

Hirer's signature.

Witness to signature of the said

Signature.....

Address.....

Occupation.....

(Schedule above referred to)

Machinery.

Address for the purpose of clause 5 (*b*)

District Town Street Number of house.

FORM 5.

MORTGAGE DEED TO BE EXECUTED BY THE BORROWER.

THIS instrument made the.....day of.....191.....between.....
.....of.....(hereinafter called "the Mortgagor") of the one part and the ~~Director of Industries and Commerce~~ on behalf of the Government of His Highness the Maharaja of Mysore (hereinafter called "the Mortgagee") of the other part.

WHEREAS the Mortgagor $\frac{\text{has}}{\text{have}}$ received from the ~~Director of Industries and Commerce~~.....
.....an order under the Rules for the grant of Loans generally to facilitate ~~Agricultural and Industrial Operations~~ issued under Notification No. ~~G. 2146—G. M. 55-12-240~~, dated ~~2nd September 1913~~.....
.....and dated the.....day of.....191.....in virtue of which the Mortgagor $\frac{\text{is}}{\text{are}}$ entitled to receive the aggregate sum of Rs.....as a loan from the Mortgagee for the purpose of.....
and WHEREAS security for the due application of the amount of the said loan and for the punctual repayment of the same according to the terms of the said order is demanded by or on behalf of the mortgagee and in order to furnish such security the Mortgagor has agreed to sign these presents.

NOW THESE PRESENTS WITNESS that in consideration of the said loan and in pursuance of the said agreement the Mortgagor doth hereby transfer to the Mortgagee, his successors and assigns the immovable property described in Schedule A hereunder written with the appurtenances thereto subject to redemption as hereinafter mentioned.

THESE PRESENTS ALSO WITNESS that in consideration of the said loan and in pursuance of the said agreement the Mortgagor doth hereby further transfer to the Mortgagee, his successors and assigns the property described in Schedule B hereunder written, being that on which the said loan is to be expended, subject to redemption as hereinafter mentioned.

AND it is hereby agreed that if the Mortgagor, $\frac{\text{his}}{\text{their}}$ legal representatives and assigns shall duly comply with the terms on which the said loan has been granted and shall apply the same and every part thereof in the manner provided in the said order and shall duly repay the amount of the said loan together with any interest which may have become payable thereon or on any part thereof and all costs if any incurred by the Mortgagee, his successors or assigns in making the said loan or otherwise in connection therewith, the Mortgagee, his successors or assigns shall thereupon retransfer the said immovable property noted in Schedule A together with the property described in Schedule B to the Mortgagor, his legal representatives or assigns or as he or they shall direct.

PROVIDED always and it is hereby agreed that in case the Mortgagor, his legal representatives or assigns shall fail to comply with the terms on which the said loan has been granted it shall be lawful for the Mortgagee, his successors and assigns to sell the said immovable property noted in Schedule A and the property described in Schedule B or any parts thereof and out of the proceeds of such sale to make good to the Mortgagee, his successors or assigns the amount which in consequence of any such default shall be payable by the Mortgagor, his legal representatives or assigns.

In witness whereof the Mortgagor $\frac{\text{has}}{\text{have}}$ hereunto set $\frac{\text{his}}{\text{their}}$ hand the day and year first above written.

The schedule above referred to.

The first payment of Rs. together with the interest which shall have accrued and be payable as aforesaid to be made on the day of 19 , the second payment of Rs. and interest as aforesaid to be made on the day of 19 , and the third payment of Rs. and interest as aforesaid to be made on the day of 19 , and the fourth payment of Rs. and interest as aforesaid to be made on the day of 19 , (and so on).

4. It shall be lawful for the Director and all persons authorised by him, at all times to enter upon any premises in which the machinery may be for the time being, to examine the same.

5. The hirer agrees with the Director that during the hiring—

(*a*) the machinery shall be kept in good and serviceable order and condition (also without damage by fire) and that no alteration or addition thereto shall be made without the previous written consent of the Director ;

(*b*) the machinery shall be kept in possession of the hirer and upon trust for the Director at the hirer's address given in the Schedule hereto, or at such other addresses as the Director may by writing authorise, free from distress, execution, or other legal processes, and shall not on any account be sold, assigned, or dealt with, or the possession thereof parted with ;

(*c*) all rates, taxes and outgoings payable in respect of the premises wherein the machinery may for the time being be placed shall be duly and punctually paid and discharged by the hirer, and the current receipts therefor shall be produced to the Director on demand.

6. It is hereby declared that the Director has entered into this agreement upon the express declaration by the hirer, and the hirer hereby expressly warrants, that the premises upon which the machinery is to be placed are free from any mortgage incumbrance or charge given or created by the hirer, or any person through whom he claims.

7. If the hirer at any time during the hiring shall be desirous of executing or creating any charge, mortgage or other incumbrance of or upon the premises in or upon which the machinery shall for the time being be, he shall give to the Director one calendar month's previous notice in writing of his intention so to do, and upon the receipt of such notice it shall be lawful for the Director to put an end to the hiring in manner provided by the next succeeding clause.

8. If the hirer

(*a*) shall make default in punctually paying any hire instalment or

(*b*) shall be adjudicated bankrupt or shall file a petition in insolvency or enter into any arrangement or composition with his creditors or

(*c*) shall execute or create any mortgage incumbrance or charge of or upon the premises in or upon which the machinery may for the time being be, or give notice of his intention so to do as provided by the last preceding clause or

(*d*) shall fail to observe and perform any of the agreements and conditions contained in this Agreement and on his part to be observed and performed,

then, and in any such case, it shall be lawful for the Director to immediately put an end to the hiring, and for that purpose the hirer hereby authorises the Director or any one deputed by him to enter upon any premises in which the machinery may be for the time being, and to seize and take away the same.

9. Should the hirer hinder or prevent the Director or his Deputy seizing and taking away the machinery, then and in every such case, the hirer shall pay to the Director the sum of Rs. 200 (two hundred rupees) as and by way of liquidated damage for breach of this provision and not by way of penalty.

10. If the Director shall seize and take possession of the said machinery under clause 8 hereof, the hirer shall have the option within one month after such seizure of purchasing the said machinery by the payment to the Director of Rs. together with the costs and expenses of and incidental to such seizure. In the event of the hirer making such payment within the time aforesaid he shall receive credit from the Director for all sums previously paid by him on account of hire and the amount paid on the signing of this agreement. If the hirer shall not exercise such option and make such payments within the time aforesaid, the option given to the hirer by this clause shall cease and the hirer shall not be entitled to any credit, allowance or return for or on account of any payments made previously by him.

11. No allowance, return, credit or payment, shall be allowed or paid to the hirer in the event of the hiring being determined by the Director as provided by clause 8 hereof, but the hirer shall pay to the Director at Bangalore all arrears of hire, interest and damages, for the breach of this agreement up to the date of such determination.

Such damages shall be in addition to and not in substitution of any damages mentioned in clause 9 hereof.

12. All sums falling due to the Director under this contract shall be recoverable from the hirer as an arrear of land revenue.

13. The Director hereby agrees that the hirer shall have the option of purchasing the machinery at any time during the hiring by paying the sum of Rs.....with interest thereon at.....*per cent per annum* from the date hereof, and also that if the hirer shall exercise such option he will give to the hirer credit against such purchase price for all payments which shall have been made by him for hire, with counter interest on such payments at the like rate and also for the sum paid on the signing of this agreement. But until such purchase price shall have been paid in full, the said machinery shall remain the absolute property of the Government of Mysore.

SCHEDULE A.

Registration District	Registration Sub-District	Village	If the property is house property				If cultivable land				
			Boundaries of the property	Description and value of buildings and how long likely to last	Extent of building site and of vacant ground or compound	Trees, wells, etc.	Survey number	Wet or dry	Extent	Assessment	Trees, wells etc
1	2	3	4	5	6	7	8	9	10	11	12

SCHEDULE B.

Registration district	Registration Sub-District	Village	Description of objects upon which the loan is expended

(Signature of borrower)

Witness.

(1) .....son of.....Village of.....

(2) .....son of.....Village of.....

Signed by the above mentioned
in the presence of

FORM 6: 2

SECURITY BOND TO BE EXECUTED BY A SURETY FOR A BORROWER.

By Secretary & Chairman, Mysore Committee

THIS INSTRUMENT MADE the.....day of.....19.....
between.....of.....(hereinafter called " the Mortgagor ") of the one part and the ~~Director of Industries and Commerce~~ on behalf of the Government of His Highness the Maharaja of Mysore (hereinafter called "The Mortgagee") of the other part.

By Secretary & Chairman, Mysore Committee

WHEREAS..... $\frac{\text{has}}{\text{have}}$ received from the ~~Director of Industries and Commerce~~.....
.....an order under the Rules for the grant of loans generally to facilitate ~~agricultural and industrial operations~~ issued under Notification No. ~~G. 9146—G. M. 55-12-240~~, dated ~~2nd September 1918~~, and dated the..... .....day of.....19.....
in virtue of which the said..... $\frac{\text{is}}{\text{are}}$ entitled to receive the aggregate sum of Rs.....as a loan from the Mortgagee for the purpose of.....

Building of houses in Malnad and subsidy principles

AND WHEREAS security for the due application of the amount of the said loan and for the punctual repayment of the same according to the terms of the said order is demanded by or on behalf of the Mortgagee and in order to furnish such security the Mortgagor has agreed to sign these presents.

NOW THESE PRESENTS WITNESS that in consideration of the said loan and in pursuance of the said agreement the Mortgagor doth hereby transfer to the Mortgagee, his successors and assigns the immovable property described in the Schedule hereunder written with the appurtenances thereto subject to redemption as hereinafter mentioned.

AND it is hereby agreed that if the said ..... $\frac{\text{his}}{\text{their}}$ legal representatives and assigns shall duly comply with the terms on which the said loan has been granted and shall apply the same and every part thereof in the manner provided in the said order and the said..... $\frac{\text{his}}{\text{their}}$ legal representatives or assigns or the Mortgagor or his legal representatives shall duly repay the amount of the

said loan together with any interest which may have become payable thereon or on any part thereof and all costs if any incurred by the Mortgagee, his successors or assigns in making the said loan or otherwise in connection therewith, the Mortgagee, his successors or assigns shall thereupon retransfer the said immovable property to the Mortgagor, his legal representatives or assigns or as he or they shall direct.

PROVIDED always and it is hereby agreed that in case the said....., $\frac{\text{his}}{\text{their}}$ legal representatives or assigns shall fail to comply with the terms on which the said loan has been granted, it shall be lawful for the Mortgagee, his successors and assigns to sell the said immovable property or any part thereof and out of the proceeds of such sale to make good to the Mortgagee, his successors or assigns the amount which in consequence of any such default shall be payable by the said..... .....$\frac{\text{his}}{\text{their}}$ legal representatives or assigns.

PROVIDED also and it is hereby agreed that although as between the said..... .....and the Mortgagor, the Mortgagor is surety only for the said..... yet, as between the Mortgagor and the Mortgagee, the Mortgagor is to be considered as principal debtor for the principal moneys, interest and costs intended to be hereby secured so that the Mortgagor or his legal representatives shall not be released or exonerated by time being given to the said..... ..... $\frac{\text{his}}{\text{their}}$ legal representatives or by any other dealings, act, matter or thing whatsoever whereby the Mortgagor or his legal representatives as surety or sureties only for the said..... .....and $\frac{\text{his}}{\text{their}}$ legal representatives would be so released or exonerated.

In witness whereof the Mortgagor has hereunto set his hand the day and year first above written.

Signature of surety .

Witnesses.

No. 91

Office of the Malnad Improvement
Committee, Shimoga District.
Shimoga, dated 8th March 1915.

D 5837

From Med 24-13-142

Anandrao. S. Sirsi,Esquire,B.A.,LL.B.,
Secretary, Malnad Improvement Committee,
Shimoga.

To

D.M. Narasinga Rao,Esquire,B.A.,B.L.,
Secretary to the Government of Mysore,
General and Revenue Departments, Bangalore.

Sir,

Referring to your No. 5712-4 Med. 24-13-139 dated 25th January 1915 forwarding for the opinion of the Malnad Improvement Committee, a copy of draft rules, regarding the extension of the scope of the Takavi Rules, I have the honor to state below the modifications suggested by the Committee at its meeting held on the 29th January 1915.

" Rule 2 may be reconstructed as follows:-

The maximum amount of loan that may be granted under these rules is Rs 500 when a person intends to build a house only or to sink a well only for the better enjoyment of an existing house and Rs 1000 when he intends to build a house and sink a well for drinking water in addition.

Rule 3 para 2 may be deleted.

Rule 9, the last sentence of which may be rewritten as follows:-

In every case, the site on which the house is built or the well is sunk and the building and well proposed and in the case of a loan for sinking a well only, the well and the building for the benefit of which, the well is sunk; shall be mortgaged to the Government as additional security."

As no more alterations seem necessary and as the proposed extension of the scope of the Takavi Rules is of urgent necessity in order to enable the malnad people to take full advantage of the recent orders of

Government

GPB-100,000- 29-7-14

1914-15.

From

The Secretary, Malnad Improvement Committee, Shimoga.

To

The Secretary to the Government of Mysore, General and Revenue Departments, Bangalore.

Dated 8th March 1915.

Despatched

Received

General No. 91

No.

Enclosure No.

SUBJECT.

Furnishes the opinion of the Malnad Improvement Committee Shimoga district on the draft rules regarding the extension of the scope of Takavi rules.

Government extending the privileges conceded under the Malnad Ryots' Special Privileges Rules in respect of building materials, I request that you will be so good as to obtain the early orders of Government in the matter.

I have the honor to be,

Sir,

Your most obedient servant,
By order

Secretary, Malnad Improvement Committee, Shimoga.

SAR.

No 40/

57

D 6006

Deputy Commissioner's office
Hassan District
Dated 20th March 1915
Camp Gandasi

From,

Read 24-13-143
B. Ramaswamaya Esquire, B.A.B.L.
Offg. Deputy Commissioner
- and Chairman
Hassan Committee
Malnad Improvement Scheme

To,

D. M. Narasinga Rao Esquire, B.A, B.L.
Offg. Secretary to the Government
of His Highness the Maharaja
of Mysore
General and Revenue Depts.
Bangalore

Sir,

With reference to your letter No: 5712-4 Read. 24-13-139 dated 25th January 1915 forwarding for the opinion of this Committee a Copy of draft rules for extending the scope of the Takavi Rules so as to admit of loans being given for encouraging people to build houses

TW/24/3

GPB—100,000– 7-8-13

1914-15.

From

B. Ramaswamaiya Esqr B.A.B.L,
Offg. Deputy Commissioner
-and Chairman
Hassan Committee
Malnad Improvement Scheme.

To

D. M. Narasinga Rao Esquire B.A.B.L,
Offg. Secretary to the Govt. of H.H.
the Maharaja of Mysore, Genl &
Rev. depts, Bangalore

Dated 20th March 1915

Despatched " Camp Gandasi

Received

General No. 401

No. M. I. S.

Enclosure No. One

Subject–

Submitting opinion of the Committee, M. I. Scheme on the draft rules for extending the scope of the Takavi Rules so as to admit of loans being given for encouraging people to build houses on sanitary principles in the Malnad

houses on sanitary principles in the Mahuad, I have the honour to enclose herein for information a copy of the resolution No: II of the proceedings of the 4th meeting in 1914-15 of this Committee held on the 24th February 1915.

I have the honour to be,
Sir,
Your most obedient Servant

V Ramaswamy

Deputy Commissioner
and Chairman
Vasan Committee
Mahuad Improvement
Scheme

MPL

Proceedings of the 4th. meeting in 1914-15 of the Hassan District Committee, Malnad Improvement Scheme held in the Deputy Commissioner's Office, Hassan, on Wednesday the 24th. February 1915.

Endd No. 24-13-143

X X X X X

II. Read General and Revenue Secretary's letter No. 5712-4/Mcd. 25th. January 1915, forwarding copy of draft rules for extending the scope of the Takavi rules so as to admit of loans for encouraging people to build houses on sanitary principles in the Malnad.

Resolution:- Resolved that with the following three amendments, the proposed rules appear quite suitable and may be adopted.

1. Application for loans to be given to the Special Revenue Officer, who after registering it will transmit it to the Amildar for taking proceedings in the matter of obtaining security.

2. (Rule 10.) Approval of plan to be by the Special Sanitary Officer after obtaining whose opinion, the Special Revenue Officer to be empowered to issue licenses.

3. (Rule 11.) Payment of 2nd. instalment to be made after the Amildar or Deputy Amildar or the Special Revenue Officer is satisfied that the 1st. instalment has been spent.

x x x

Sd/- B.Ramaswamaiya,
Deputy Commissioner & Chairman,
Hassan Committee, M.I.Scheme.

" Copy "

B Ramaiswamaya

Deputy Commissioner & Chairman,
Hassan Committee, M.I.Scheme.

MPC.

69

D 6775

Office of the Special Revenue Officer,
M.I.Scheme, Kadur and Hassan Districts.,
Dated. Chikmagalur, the 22nd April 1915.

No. 1034 Revenue 27

From

J M 24-13-146

R. Nanaswamy Rao, Esquire,
Special Revenue Officer, M.I.S. and Secretary,
Malnad Improvement Committee, Kadur District.
Chikmagalur.

To

D. M. Narasinga Rao, Esquire, B.A., B.L.,
Offg: Secretary to the Government of Mysore,
General and Revenue Departments, Bangalore.

Sir,

W

Adverting to your letter No.5712-4/Med.24-13-139, dated the 25th January 1915 and subsequent reminders thereto, to the address of the Deputy Commissioner and Chairman, Malnad Improvement Committee, Kadur District, calling for the opinion of the Committee in respect of the draft rules for granting loans to people who build houses on Sanitary principles in the Malnad, I have the honor to submit, herewith, a copy of Resolution No.V passed by the Committee at their meeting on the 29th March 1915 which contains their opinion on the subject.

I have the honor to be,
Sir,
Your most obedient servant,

R. Nanaswamy Rao
Special Rev. Officer & Secretary,
M.I.Committee, Kadur District.

GPB—100,000—29-7-14

191

From R. Ramaswamy Rao Esquire
Special Revenue Officer & Secretary
M. I. Committee, Kadur District

To D. V. Narasinga Rao Esq. B.A.B.L.
Offg: Secretary to the Govt of Mysore
Genl & Rev Department
Bangalore.

Dated } 27-4-1915
Despatched }

Received

General No. 1034
No.

Enclosure No. One

Submits opinion of the M. I. Committee, Kadur District regarding the draft rules for granting loans to people who build houses on sanitary principles in the mofussil

Encl to Sam 24-13-146

Proceedings of the fifth Meeting of the Kadur District Committee for the improvement of the Malnad during the year 1914-15, held on Monday the 29th March 1915 at Chikmagalur.

---

x x x x

V. General and Revenue Secretary's Letter No.5712-4/Med.24-15,139 dated 25th January 1915, forwarding for opinion , draft rules for the grant of loans to people for building houses on Sanitary principles in the Malnad.

Resolution:

Resolved that with the following three amendments, the draft rules are well suited and may be adopted.

(i). Application for Loans:

To be presented to the Special Revenue Officer who will after registering it, forward the same to the Amildar for obtaining necessary security in the matter.

(ii). Issue of licenses:

The Special Revenue Officer to be empowered to issue licenses after obtaining the approval of the place by the Special or District Sanitary Officer.

(iii). Payment of the second instalment of the loan:

The Second instalment of the loan may be paid to the applicant after the Amildar or Deputy Amildar or the Special Revenue Officer is satisfied that the first instalment has been fully spent for the purpose for which the loan was taken.

It was further resolved that Mr. Bhore, Sanitary Engineer may be asked to furnish the Committee with plans of model houses in three different sizes at a cost of Rs.300/-, 500/- and 800/- respectively and that these model houses be constructed by the Malnad Improvement Scheme Authorities in each of the villages newly built or in the extension of old villages and eventually sold to the -- people and cost to be credited to Government.

"Copy"

Special Revenue Offider & Secretary,
M.I.Committee, Kadur District.

5

69

G.R.S. 26]

SUBJECT Grant of loans to agriculturists and non-agriculturists for constructing houses in the mofussil.

20/8

Diary No. of letter replied to 6775

Section Medical.
File No. 24-13
Serial No. 149

General and Revenue Secretariat
(~~Capital~~ Medical)
, *the* 191

No. 1012-4
Med 24-13 -- 149.
9.4.8.15

Date of issue 4.8.15

To
The Deputy Commissioner,
Chairmen, M. I. Committees,
All Stations, Kudalur & Uthamapalayam Divs.

Signed by Mr M.S. Ramachandra Rao.

Sir,

In continuation of this office letter No. 5712-4 dated 25th January 1915 (~~Secret~~ Med 24-13), regarding the grant of loans to people who build houses on sanitary principles in the mofussil, I am directed to request you to be so good as to state what

W

over.

28 Ust 141

63

probably
Amount will be required for
Power
~~Each of~~ districts to begin with. This
reference may kindly be treated as urgent
and a reply furnished as early as possible

I have &c
Ud 2/8
for Secretary

List of enclosures.

Copied by

Examined by

GPB—20,000—14-2-14

64

D '13'

Office of the Deputy Commissioner &
Chairman, Malnad Improvement Committee
Kadur District,
Dated, Chikmagalur, 18th August 1915.

Medical 24-13-150

From

K.Krishna Iyer, Esquire,
Deputy Commissioner & Chairman,
Malnad Improvement Committee,
Kadur District.

To

D.M.Narasinga Rao, Esquire, B.A.,B.L.,
Secretary to the Government of Mysore,
General Departments.

Sir,

With refesence to your letter No. 1012-4/Med. 24-13-149 dated 4th August 1915 requesting me to state the amount that may be required for the grant of loans to build houses in the malnad, I have the honor to forward herewith copy of letter No. 122 dated 16th August 1915 from the Special Revenue Officer, Kadur and Hassan Districts, suggesting to make a provision of Rs. 10,000/- for the present on this account.

I have the honor to be,
Sir,
Your most obedient servant,

Deputy Commissioner & Chairman,
Malnad Improvement Committee

GPB—100,000—29-7-14

1v

19/4 Ho 191 No. 6

From The Deputy Commissioner & Chairman
Madras Improvement Committee
Kadur District Committee

To The Secretary, General Departments.

Dated 18th

Despatched August 1915

Received

General No. 107
No.

Enclosure No. 1.

Stating that an amount of 10000 rupees is required for the present to meet the grant of loans to the Co-operative building houses in the Madras.

—11—

65

Enc to Lr dtd 24-13
5150

From

The Special Revenue Officer,
Malnad Improvement Scheme,
Kadur and Hassan Districts,
Chikmagalur.

To

The Deputy Commissioner & Chairman,
M.I. Committee, Kadur District,
Chikmagalur.

No. 122 dated 15/16th August 1915.

Sir,

With reference to your Memo No. 301 dated 9th August 1915 calling for certain information regarding the amount required for loans to house builders in the malnad parts of the District, I have the honor to state that no definite forecast can be given at present with any degree of certainty as the measure itself is quite new and still in its preliminary stage and I would, however, suggest that a sum of Rs. 10,000/- be given for the present and any additional amount required will be applied for as occasion arises.

I have, &c.,

Signed. R.Nanasami Rao,
Special Revenue Officer.

Copy"
Deputy Commissioner & Chairman
BR

D26
mo 5
D779

Office of the Deputy Commissioner
Hassan District
Dated Hassan, the 18th August 1915

Medical 24-13-151

From B. Ramaswamaiya Esquire B.A, B.L,
Offg: Deputy Commissioner,
Hassan District

To C. M. Narasinga Rao Esquire, B.A, B.L,
Secretary to Government,
General Department
Bangalore.

Sir,

With reference to your D.O. Letter No. 1012-14/med. 24-13-149 dated 4th Instant, I have the honour to state that a Sum of Rs 10,000/- may be required for the present for this District in connection with the grant of loans to people for building houses on Sanitary principles in the Malnad parts of this District.

I have the honor to be,
Sir,
Your most obedient Servant,

B. Ramaswamaiya
Assistant Commissioner
for Deputy Commissioner,
Hassan District
(Absent from Head Quarters)

67

D-172

No 11 Office of the Malnad Improvement Committee, Shimoga Dt.

Dated Shimoga, the 1st September 1915.

From

Medical 24-13-152

S.N. Appanna Iyengar, Esquire, B.A., B.L.,
Secretary, Malnad Improvement Committee,
Shimoga.

To

D.N. Narasinga Rao, Esquire, B.A., B.L.,
Secretary to the Government of Mysore,
General Department, Bangalore.

Sir,

R

Referring to your letter No. 1012-4 Med 24-13-149 dated 4th August 1915 enquiring what amount to begin with will probably be required for granting loans to people who build -- houses on sanitary principles in the Malnad portions in this district, I have the honor to state as follows:-

i. The people have not been as yet fully aware of the proposals under reference for extending the scope of the Takavi Rules to give them the benefit of obtaining loans under favourable conditions for constructing houses or sinking wells. No application therefore relating to it has yet been received by any of the Amildars in the district. Under this circumstance it is not possible to determine correctly the needs of each taluk. However from the preliminary reports received from the Amildars it is learnt that a sum of Rs 30,000 will adequately meet the requirements of the people for the current year.

ii. There is every likelihood however of a larger demand for loans for the purpose under reference if wide publicity is given to the Government Order sanctioning the proposals

of

GPB—100,000—29-7-14

1915-16.

From

The Secretary, Malnad Improvement Committee, Shimoga.

To

The Secretary to the Government of Mysore General Department, Bangalore.

Dated 1st September 1915.

Despatched 3-9-15

Received

General No. 11

No.

Enclosure No.

S U B J E C T.

States that a sum of Rs. 30,000 may probably be required for granting loans under Takavi Rules.

f the Committee for extending the scope of the Takavi Rules.

I have the honor to be,

Sir,

Your most obedient servant,

"By order"

By appanna

Secretary, Malnad Improvement Committee,

S h i m o g a.

SAR.

69

Scheme for Malnad loans.

7528-30 Misc 2643-156 8.6.16

To

The Deputy Commissioners and
Chairmen, Malnad Improvement
Committees, Shimoga, Kadur
and Hassan Districts.

S i r,

With reference to the correspondence ending with letter No..... dated.. from the Secretary, Malnad Improvement Committee, ~~proposing certain special rules for the grant of~~ in regard to the scheme for granting loans to individuals to facilitate the building of sanitary houses and the sinking of --- drinking water wells in the Malnad, I am directed to state that the system of advancing Government money to the population of a particular tract for building houses etc., does not fall within the legitimate sphere of Governmental activity. It is essentially one for ~~the~~ local bodies ~~concerned~~ to undertake, as any satisfactory administration of such a scheme requires personal knowledge of individuals to whom money is advanced and also close direct control. Government are therefore constrained to express their inability to sanction the proposed scheme.

x x
Shimoga No.11 dated 1st September 1915.

Kadur No. 109 dated 18th August 1915.

Hassan No. 76 dated 20th August 1915.

2. I am however to add that Government will, as at present advised, be prepared to consider a suitable scheme for the grant of such loans by local

bodies,

bodies, provided it is financed by a loan to be raised locally i.e. in the Malnad itself. Government ~~will~~ may decide, ~~in such case~~, ~~be prepared to~~ to lend a portion of the sum to be raised and accord if necessary, a guarantee as regards interest on the loan raised from the people on being satisfied that adequate arrangements have been or will be made for repaying both the Government and the local loans. The local bodies will however have to be wholly responsible for advancing loans to individuals, collecting the instalments due and all losses involved in the transactions.

Should the scheme be ultimately found suitable,

3. I am therefore to request you to be so good as to consult the principal local bodies in your district, i.e. the District Board and the Municipalities, and submit a comprehensive scheme in this respect before the end of ~~April~~ May 1916.

I have the honor to be,

S i r,

Your most obedient servant,

Hon Secretary to Government,
General Department.

N.R.